

Message Text

UNCLASSIFIED

PAGE 01 KINGST 04461 021357Z
ACTION ARA-14

INFO OCT-01 ISO-00 PA-02 AID-05 CIAE-00 COME-00 EB-08
FRB-01 INR-10 NSAE-00 ICA-20 TRSE-00 XMB-04
OPIC-06 SP-02 LAB-04 SIL-01 OMB-01 /079 W
-----050235 031431Z /53

R 011853Z JUN 78
FM AMEMBASSY KINGSTON
TO SECSTATE WASHDC 1539

UNCLAS KINGSTON 4461

E.O. 11652: N/A
TAGS: EFIN, ECON, JM
SUBJECT: GOJ 1978-79 BUDGET ESTIMATES

REF: KINGSTON 4203

1. PRESS REPORTS OF MAY 30 AND JUNE 1 INDICATES THAT MAJOR INCREASES WILL BE MADE IN THE 1978-79 BUDGET ESTIMATES TABLED IN THE HOUSE OF REPRESENTATIVES ON MAY 16 AND REPORTED IN REFTEL. THE INCREASE IS LIKELY TO BE ABOUT J\$233 MILLION, RAISING THE BUDGET FROM J\$1,590 MILLION (AS TABLED) TO J\$1,823 MILLION. J\$136 MILLION WILL BE ADDED TO THE RECURRENT BUDGET AND J\$97 MILLION TO THE INVESTMENT BUDGET.

2. THESE ADJUSTMENTS ARE RELATED TO THE DEVALUATION AND TAX PROGRAM WHICH WILL RESULT IN MAJOR PRICE INCREASES THIS YEAR. THE DEVALUATION WILL BOOST SUBSTANTIALLY THE LOCAL CURRENCY COST OF SERVICING THE PUBLIC DEBT. OTHER ITEMS EXPECTED TO RISE SUBSTANTIALLY ARE THE COST OF SERVICES SUCH AS UTILITIES AND THE SUBSIDIES REQUIRED TO DAMPEN PRICE INCREASES IN THE "BASIC NEEDS" BASKET. WE SURMISE THAT THERE WILL ALSO BE INCREASES IN THE SALARIES OF GOVERNMENT EMPLOYEES.

3. THE REVISED BUDGET ESTIMATES ARE NOW BEING STUDIED BY THE HOUSE OF REPRESENTATIVES' FINANCE COMMITTEE. THE UNCLASSIFIED

UNCLASSIFIED

PAGE 02 KINGST 04461 021357Z

BUDGET DEBATE IN THE HOUSE IS SCHEDULED TO START ON JUNE 8.

4. MISSION IS PREPARING A DETAILED ANALYSIS OF THE 78/79 BUDGET.
HAVERKAMP

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: GOVERNMENT BUDGET, BUDGET ESTIMATES
Control Number: n/a
Copy: SINGLE
Draft Date: 01 jun 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978KINGST04461
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780233-0002
Format: TEL
From: KINGSTON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t197806108/aaaadouz.tel
Line Count: 60
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: fe9ec97d-c288-dd11-92da-001cc4696bcc
Office: ACTION ARA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 78 KINGSTON 4203
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2164300
Secure: OPEN
Status: NATIVE
Subject: GOJ 1978-79 BUDGET ESTIMATES
TAGS: EFIN, ECON, JM
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/fe9ec97d-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014